SENATE

. . No. 1415

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act Relative to Lobbyist Reform.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
James B. Eldridge	Middlesex and Worcester
William F. Galvin	
Robert A. O'Leary	Cape and Islands
Steven J. D'Amico	4th Bristol
Denise Provost	27th Middlesex
Jason Lewis	31st Middlesex
Jennifer M. Callahan	18th Worcester
Susan C. Tucker	Second Essex and Middlesex
Thomas M. Stanley	9th Middlesex
Lori Ehrlich	8th Essex
John F. Quinn	9th Bristol
Martin J. Walsh	13th Suffolk
Matthew C. Patrick	3rd Barnstable

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO LOBBYIST REFORM.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. Section 39 of chapter 3, as appearing in the 2006 Official Edition, is
- 2 hereby stricken, and replaced with the following language:
- 3 "Section 39. Definitions.
- 4 In any proceeding under this chapter, the burden of proving an exemption or an exception from a
- 5 definition is upon the person claiming it.
- 6 As used in sections thirty-nine to fifty, inclusive, the following words shall, unless the context
- 7 clearly indicates otherwise, have the following meanings:—
- 8 "Authority", any public instrumentality of the commonwealth which is not subject to the
- 9 supervision and control of either the legislative, executive or judicial departments of state
- 10 government, or of any city, town, or county within the commonwealth, and which does not
- 11 receive state appropriations either for operations or the payment of debt obligations.
- 12 Notwithstanding the foregoing provisions, the following entities shall be considered to be
- authorities: Bay State Skills Corporation, Boston Metropolitan District, centers of excellence,

- 14 Community Economic Development Assistance Corporation, Community Development Finance 15 Corporation, Government Land Bank, Massachusetts Bay Transportation Authority, Massachusetts Convention Center Authority, Massachusetts Corporations for Educational 16 17 Telecommunications, Massachusetts Educational Loan Authority, Massachusetts Health and Educational Facilities Authority, Massachusetts Housing Finance Agency, Massachusetts 18 19 Industrial Finance Agency, Massachusetts Industrial Service Program, Massachusetts Legal 20 Assistance Corporation, Massachusetts Municipal Wholesale Electric Company, Massachusetts 21 Port Authority, Massachusetts Product Development Corporation, Massachusetts Technology 22 Development Corporation, Massachusetts Technology Park Corporation, Massachusetts 23 Turnpike Authority, Massachusetts Water Resources Authority, Nantucket land bank, Pension Reserves Investment Management Board, State College Building Authority, Southeastern 24 25 Massachusetts University Building Authority, Thrift Institutions Fund for Economic Development, University of Lowell Building Authority, University of Massachusetts Building 26 27 Authority, Victim and Witness Board, Woods Hole, Martha's Vineyard, and Nantucket 28 Steamship Authority, Worcester Business Development Corporation, the several regional transit authorities, the several regional school districts, the several solid waste districts, the several 29 30 water, sewer, and fire districts, the several local housing authorities, the several local redevelopment authorities, and the several home care corporations. 31
- "Client", any principal, individual or business that contracts with, hires, arranges, or otherwise engages the services of another principal, individual or business to receive lobbying services for a fee.
- 35 "Covered executive official", the governor, lieutenant governor, state secretary, attorney 36 general, state treasurer, state auditor, any person who holds a major policy making position, as

defined in section one of chapter two hundred and sixty-eight B, and as designated by the governor, lieutenant governor, state secretary, attorney general, state treasurer or state auditor in accordance with the provisions of said chapter two hundred and sixty-eight B, the secretary or deputy or assistant secretary of any executive office, or the executive or administrative head or deputy or assistant head of any authority, any department, board, commission, or division of the state government or subdivision of any of the foregoing, but not including the legislative and judicial departments.

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- "Legislation", bills, resolutions and proposals of every kind, character or description considered by the general court or any committee thereof, or the governor.
- "License", the state secretary shall issue a picture identification card which entitles a lobbyist or a lobbyist entity as defined herein to practice lobbying on behalf of a client who or which has filed a registration statement pursuant to section 41. Any license so issued shall expire on December 31 of each year.
 - "Lobbying", means any act or effort on behalf of a client which directly or indirectly attempts to influence procurement decisions, legislative or administrative action by oral or written communication with any elective state official, agency official, authority employee, legislative or executive employee or covered executive official, and includes any person engaged in providing business consulting or strategic consulting services, but excluding:
- 55 (a) any act made in the course of participation in an advisory committee or task force;
- 56 (b) providing information in writing in response to a written request for specific information by
 57 an officer or employee of the executive branch or an authority, including, but not limited to,
 58 statewide constitutional officers and employees thereof;

- 59 (c) any act required by subpoena, civil investigative demand, or otherwise compelled by statute,
- 60 regulation or other action of the executive branch or legislative branch or an authority, including,
- but not limited to, statewide constitutional offices;
- 62 (d) a communication made to an officer or employee of the executive branch or legislative
- branch or an authority, including, but not limited to, statewide constitutional officers and
- 64 employees thereof, with regard to: (1) a judicial proceeding or a criminal or civil law
- enforcement inquiry, investigation or proceeding; or (2) a filing or proceeding that the executive
- branch or legislative branch or an authority, including, but not limited to, statewide constitutional
- offices, is specifically required by statute or regulation to maintain or conduct on a confidential
- basis; if such executive branch or authority, including, but not limited to, statewide constitutional
- offices, is charged with responsibility for such proceeding, inquiry, investigation or filing;
- 70 (e) any act made in compliance with written agency procedures regarding an adjudicatory
- 71 proceeding, as defined in section one of chapter thirty A, conducted by the agency, or similar
- adjudicatory or evidentiary proceedings conducted by any department, board, commission or
- official not governed by chapter thirty A;
- 74 (f) a petition for action by the executive branch or legislative branch or an authority, including,
- 75 but not limited to, statewide constitutional offices made in writing and required to be a matter of
- 76 public record pursuant to established procedures of such executive branch or legislative branch
- 77 or authority, including, but not limited to, statewide constitutional offices;
- 78 (g) any act made on behalf of an individual with regard to that individual's benefits,
- 79 employment or other personal matters;

- (h) a response to a request for proposals or similar invitation by an officer or employee of the executive branch or legislative branch or an authority, including, but not limited to, statewide constitutional officers and employees thereof, for information relevant to a contract;
- (i) participation in a bid conference;

- (j) an appeal or request for review of a procurement decision.
 - "Lobbyist", any person who: 1) does any act on behalf of a client to influence the decision of any officer or employee of the executive branch or an authority, including but not limited to statewide constitutional officers and employees thereof, where such decision concerns procurement decisions, legislation or the adoption, defeat or postponement of a standard, rate, rule or regulation pursuant thereto, or any act on behalf of a client to communicate directly with a covered executive official to influence a decision concerning policy or procurement or 2) does any act on behalf of a client to promote, oppose or influence legislation, or to promote, oppose or influence the governor's approval or veto thereof. Reference anywhere in this chapter to legislative or executive agent shall invoke the definition of lobbyist.
 - "Lobbyist entity", any business entity or type consisting of one or more persons engaged in providing lobbyist type services, including a sole proprietor, foreign or domestic corporation, association, proprietor, partnership, limited liability partnership or company, joint stock company, joint venture or any other similar business formation.
 - "Policy", a plan or course of action which is applicable to a class of persons, proceedings or other matters and which is designed to influence or determine the subsequent decisions and actions of any covered executive official, including, but not limited to, a plan or course of action which would constitute a "regulation", as defined in chapter thirty A. The term shall not include

the adjudication or determination of any rights, duties, or obligations of a person made on a case by case basis, including but not limited to the issuance or denial of a license, permit, or certification or a disciplinary action or investigation involving a person.

"Procurement", the buying, purchasing, renting, leasing or otherwise acquiring or disposing, by contract or otherwise, of supplies, services or construction or the acquisition or disposition of real property or any interest therein, including, but not limited to, the purchase, lease or rental of any such real property or the granting of easements or rights of way therein; but not including any item of expenditure the value of which is twenty-five thousand dollars or less."

SECTION 2. Section 41 of chapter 3, as appearing in the 2006 Official Edition, is hereby amended by striking the title "**Docket of executive and legislative agents and lobbyists**; annual registration statements; annual filing fee; identification cards" and replacing it with the following title:

"Chapter 3: Section 41. Registration and training".

- **SECTION 3.** Section 41 of chapter 3, as appearing in the 2006 Official Edition, is hereby further amended by adding the following subtitle in line 1:
- "Section 41(A). Docket of lobbyists, lobbyist entities, and clients; annual registration statements; annual filing fee; licenses".
 - **SECTION 4.** Section 41 of chapter 3, as appearing in the 2006 Official Edition, is hereby further amended by striking out the figure "10" in line 17 and inserting in place thereof the following figure: "3".

SECTION 5. Section 41 of chapter 3, as appearing in the 2006 Official Edition, is hereby further amended by striking lines 31 - 35, which contain the following paragraph:

"Upon registration, the state secretary shall issue to each legislative agent and executive agent, a nontransferable identification card that shall include the person's name and photograph. Out-of-state legislative agents and executive agents shall submit 3 passport-sized photographs to the state secretary upon registration."

And replacing lines 31 - 35 with the following paragraph:

"Upon registration and payment of all applicable fees, the state secretary shall issue to each lobbyist and lobbyist entity a nontransferable identification card or license that shall include the lobbyist's name and photograph and the lobbyist entity and authorizing officer names."

SECTION 6. Section 41 of chapter 3, as appearing in the 2006 Official Edition, is hereby further amended by adding the following language after line 35:

"The secretary may from time to time make, amend, and rescind such rules, forms, and orders as are necessary to carry out the provisions of this chapter, including rules and forms governing all filings and defining any terms, whether or not used in this chapter, insofar as the definitions are not inconsistent with the provisions of this chapter.

The state secretary or his designee shall assess a penalty for any statement which is filed by such lobbyist, lobbyist entity, or client later than the prescribed date. Said penalty shall be in the amount of two hundred and fifty dollars when such statement has been filed ten days late or less, and in the amount of five hundred dollars when such statement is more than ten days late;

143	provided, however that the state secretary may waive said penalty for good cause. No waive
144	shall be granted when a statement has been filed more than thirty days late."
145	SECTION 7. Section 41 of chapter 3, as appearing in the 2006 Official Edition, is
146	hereby further amended by adding the following subtitle at the end of section 41(A):
147	"Section 41(B). Annual training".
148	SECTION 8. Section 41 of chapter 3, as appearing in the 2006 Official Edition, is
149	hereby further amended by adding the following language under subtitle "Section 41(B)
150	Annual training":
151	"All lobbyists and lobbyist entities shall attend mandatory annual training on lobbyist rules and
152	regulations, ethics, and campaign contribution guidelines to be provided by the state secretary
153	pursuant to regulations he drafts.
154	Failure of a lobbyist or lobbyist entity to attend and complete such training will result in ar
155	automatic bar from lobbying until compliance with the training requirements."
156	SECTION 9. Section 42 of chapter 3, as appearing in the 2006 Official Edition, is
157	hereby amended by striking the title "Agreements to influence decisions of executive branch
158	employees or legislation for consideration prohibited" and replacing it with the following
159	title:
160	"Chapter 3: Section 42. Contingency compensation of lobbyists prohibited."
161	SECTION 10. Section 42 of chapter 3, as appearing in the 2006 Official Edition, is
162	hereby further amended by striking out the word "executive agent" in line 3 and inserting in

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place thereof the following word: "lobbyist".

SECTION 11. Section 42 of chapter 3, as appearing in the 2006 Official Edition, is hereby further amended in line 13, by inserting the following word after the word "bona fide": "solicited".

- **SECTION 12**. Section 43 of chapter 3, as appearing in the 2006 Official Edition, is hereby stricken, and replaced with the following section:
- "Section 43. Disclosure.

- 170 (A) Quarterly disclosure statements of lobbyists and lobbyist entities.
 - On or before the fifteenth day of April, complete from January first through March thirty-first; and on or before the fifteenth day of July, complete from April first to June thirtieth; and on or before the fifteenth day of October, complete from July first to September thirtieth; and on or before the fifteenth day of January, complete from October first to December thirty-first, every lobbyist and lobbyist entity appearing on the docket shall render to the state secretary, under oath, an itemized, electronic disclosure statement of all expenditures or payments made to any person or organization within the context of providing lobbying services as defined in section 39.

The disclosure statement shall contain an itemized statement of expenditures, which shall include but not be limited to, campaign contributions as defined in section one of chapter fifty-five; expenditures incurred or payments made by a lobbyist or lobbyist entity regardless of value, paid in whole or in part to any statewide constitutional officer, officers and employees of such office, members of the general court, officers and employees of the general court, officers and employees of the executive branch, and officers and employees of an authority; and operating expenses, office expenses, and any other expenses associated with the provision of lobbying

services, including such specific expenditures and/or reimbursements for meals, beverages, recreation and entertainment, gifts, lodging, transportation, advertising, public relations, printing, mailing, and telephone, and the names of the payees and the amount paid to each payee.

The disclosure statement shall contain an itemized statement of expenditures which shall also include the names of the candidates or political committees to whom or to which a contribution was made, along with the amount of and date of each contribution, and the date, place, name and position of any official or individual receiving an expenditure for any meal, beverage, recreation and entertainment, lodging or transportation expense and a description of the benefit.

No such expenditure shall be split or divided for the purpose of evading any provision of this section.

On or before the fifteenth day of April, complete from January first through March thirty-first; and on or before the fifteenth day of July, complete from April first to June thirtieth; and on or before the fifteenth day of October, complete from July first to September thirtieth; and on or before the fifteenth day of January, complete from October first to December thirty-first, every lobbyist and lobbyist entity appearing on the docket shall render to the state secretary, under oath, an itemized, electronic disclosure statement of all activities performed in conjunction with lobbying services as defined in section 39.

The disclosure statement shall contain an itemized statement of activities which shall include the number of hours each month within the reporting period said lobbyist or lobbyist entity engaged in/or provided lobbyist services including a complete and detailed description of the subject, subjects, or issues; the name and title of the person or persons to whom the lobbying services were provided; the legislative numbers of any bills, rules, regulations, ratemaking, or proposed

rules, regulations or rates; the titles and any other identifying numbers of any procurement 208 209 contracts; the names of the persons, organizations, legislative bodies, or committees before 210 which he has lobbied; and the client on behalf of whom the lobbyist services were performed. 211 The state secretary or his designee shall assess a penalty for any disclosure statement which is 212 filed by such lobbyist or lobbyist entity later than the prescribed date. Said penalty shall be in 213 the amount of two hundred and fifty dollars when such statement has been filed ten days late or 214 less, and in the amount of five hundred dollars when such statement is more than ten days late; 215 provided, however that the state secretary may waive said penalty for good cause. No waiver 216 shall be granted when a statement has been filed more than thirty days late. 217 Any lobbyist who or lobbyist entity which fails to timely file said disclosure statement within 218 the time required by this chapter shall be subject to the immediate administrative revocation 219 of his or its license to lobby for a period not to exceed 3 years. 220 No lobbyist or lobbyist entity whose license has been revoked may engage in lobbying activity 221 until such person has been reinstated to the practice of lobbying and duly licensed. 222 The license of any lobbyist or lobbyist entity to lobby on behalf of the client or entity shall be 223 restored immediately upon filing the delinquent statement. All notices to be sent in accordance 224 with this chapter shall be sent by certified mail to the last-known addresses of the lobbyist or lobbyist entity. 225 226 Any lobbyist or lobbyist entity who is aggrieved by a suspension of lobbying privileges under 227 this subsection may request a hearing regarding the revocation. The state secretary or his 228 designee may refer any matter to the office of the attorney general for further enforcement action

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for which a criminal penalty is applicable.

(B) Quarterly disclosure statements of clients.

possible, the statement shall indicate such impossibility.

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On or before the fifteenth day of April, complete from January first through March thirty-first; and on or before the fifteenth day of July, complete from April first to June thirtieth; and on or before the fifteenth day of October, complete from July first to September thirtieth; and on or before the fifteenth day of January, complete from October first to December thirty-first, every client of a lobbyist whose name appears upon the docket shall render to the state secretary under oath, an itemized, electronic disclosure statement of all expenses, expenditures, and/or payments made to any person or organization incurred in connection with any lobbying activity as defined in section 39 performed on its behalf. The disclosure statement shall contain an itemized statement of expenditures, which shall include but not be limited to, operating expenses, office expenses, and any other expenses associated with the provision of lobbying services, including such specific expenditures and/or reimbursements for meals, gifts, transportation, entertainment, advertising, public relations, printing, mailing, and telephone, and the names of the payees and the amount paid to each payee. Where such expenditure is for meals, entertainment or transportation, said expenditure shall be identified by the date, place, amount, and names of all persons in the group partaking in, or of, such meal, entertainment, or transportation. When such compensation is included as part of the lobbyist or lobbyist entity's regular salary or retainer, the disclosure statement shall specify the total amount of the lobbyist or lobbyist entity's salary or retainer with an additional indication as to the amount of salary or retainer allocable to his or its lobbyist duties, if apportionment is possible. If no such apportionment is

No expenditure shall be split or divided for the purpose of evading any provision of this section.

The state secretary shall assess a penalty for any disclosure statement which is filed by such client later than the prescribed date. Said penalty shall be in the amount of two hundred and fifty dollars when such statement has been filed ten days late or less, and in the amount of five hundred dollars when such statement is more than ten days late; provided, however that the state secretary may waive said penalty for good cause. No waiver shall be granted when a statement has been filed more than thirty days late.

Upon failure of a client to file the required disclosure statement, the state secretary shall mail written notices to the client and to any lobbyist or lobbyist entity of said client, informing them that unless the client files the delinquent statement within 10 business days after the date of mailing of the notices, no lobbyist or lobbyist entity may lobby on behalf of the client."

SECTION 13. Section 44 of chapter 3 is hereby repealed.

SECTION 14.. Section 45 of chapter 3, as appearing in the 2006 Official Edition, is hereby stricken, and replaced with the following section:

"Section 45. Enforcement authority; inquiry; cease and desist; injunction; adjudicatory proceeding; license revocation; suspension; hearing; effect; penalties for violations; inspection of statements; authority of attorney general.

(A) (1) Upon receipt of a sworn complaint signed under pains and penalties of perjury, or upon receipt of evidence or information which is deemed sufficient by the state secretary, the secretary or his designee shall initiate a preliminary inquiry into any alleged violation of this chapter. All proceedings and records relating to a preliminary inquiry or initial staff review to determine

whether to initiate an inquiry or adjudicatory proceeding shall be confidential, except that the secretary or his designee may turn over to the attorney general, the United States Attorney or a district attorney of competent jurisdiction evidence which may be used in a criminal proceeding. The secretary or his designee shall notify, in writing, any individual or entity who is the subject of the preliminary inquiry of the existence of such inquiry and the general nature of the alleged violation within thirty days of the commencement of the preliminary inquiry.

(2) If a preliminary inquiry fails to indicate reasonable cause for belief that this chapter has been violated, the secretary or his designee shall immediately terminate the inquiry and so notify, in writing, the complainant, if any, and the person who or entity that had been the subject of the inquiry.

(3) If a preliminary inquiry indicates reasonable cause for belief that this chapter has been violated, the secretary or his designee may issue a temporary cease and desist order. Upon the entry of a temporary cease and desist order, the secretary or his designee shall promptly notify in writing the individual or entity subject to the order that such order has been entered, the reasons therefor, and that within twenty days after the receipt of a written request from such individual or entity, the matter shall be set down for hearing to determine whether or not the order shall become permanent and final. If no hearing is requested and none is ordered by the secretary or his designee, the order shall remain in effect until it is modified or vacated by the secretary or his designee. If a hearing is requested or ordered, the secretary or his designee, after giving notice of and opportunity for a hearing to the person or entity subject to the order, shall by written findings of fact and conclusions of law, vacate, modify, or make permanent the order.

(4) If any inquiry indicates reasonable cause for belief that any individual or entity has engaged or is about to engage in any act or practice constituting a violation of any provision of this chapter or any rule or order hereunder, the secretary or his designee may in his discretion bring an action in the superior court for the county in which the individual or entity is found or is an inhabitant or transacts business or engages or has engaged in lobbying activity or the provision of lobbyist services to enjoin the acts or practices and to enforce compliance with this chapter or any rule or order hereunder. Upon a proper showing, the court may grant a preliminary or permanent injunction or a temporary restraining order and may order such other relief as may be in the public interest.

(5) For the purpose of any inquiry or proceeding under this chapter, the secretary or his designee may commence an adjudicatory proceeding, administer oaths and affirmations, summons and subpoena witnesses, compel attendance, hear testimony all of which shall be under oath, take evidence, and require the production of any books, papers, correspondence, memoranda, agreements, or other documents or records which the secretary or his designee deems relevant or material to the inquiry. Such summonses or subpoenas may be issued by the secretary or his designee and shall be served in the same manner as summonses and subpoenas for witnesses in civil cases, and all provisions of law relative to summonses and subpoenas issued in such cases, including the compensation of witnesses, shall apply to summonses and subpoenas issued by the secretary or his designee.

(6) In case of contumacy by, or refusal to obey a summons or subpoena issued to, any individual or entity, any justice of the superior court for the county in which the individual or entity is found or is an inhabitant or transacts business or engages or has engaged in lobbying activity or

the provision of lobbyist services, upon application by the secretary or his designee, may issue to the person or entity an order requiring him or it to appear before the secretary or his designee, there to produce documentary evidence if so ordered, or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

- (7) No person is excused from attending and testifying or from producing any document or record before the secretary or his designee, or in obedience to the subpoena of the secretary or his designee, or in any proceeding instituted by the secretary or his designee, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty of forfeiture; but no individual may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after claiming his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that the individual testifying is not exempt from prosecution and punishment for perjury or contempt committed in testifying.
- (8) All parties to an inquiry or an adjudicatory proceeding shall have the right to call and examine witnesses, to introduce exhibits, to cross-examine witnesses who testify, to submit evidence, and to be represented by counsel. Before testifying, all witnesses shall be given a copy of the regulations governing adjudicatory proceedings. All witnesses shall be entitled to be represented by counsel.
- (9) Any person or entity whose name is mentioned during an adjudicatory proceeding of the secretary or his designee and who may be adversely affected thereby may appear personally before the secretary or his designee on his own behalf, with or without counsel, to give a

statement in opposition to such adverse mention or file a written statement of such opposition for incorporation into the record of the proceeding. Within thirty days after completion of deliberations, the secretary or his designee shall publish a written report of its findings and conclusions.

- (10) The secretary or his designee upon a finding pursuant to an adjudicatory proceeding that there has been a violation of this chapter may issue an order:
 - (a) demanding that the violator cease and desist such violation of said chapter; and/or
 - (b) suspending the license and registration of said violator until the third regular session of the general court after the date of such violation; and/or
 - (c) demanding a full written accounting and reporting of all expenditures associated with lobbying activities; and/or
 - (d) imposing an administrative fine, not to exceed \$5,000.00; and/or
 - (e) any other remedy the secretary deems appropriate to ensure compliance with the filing and other requirements of this chapter.
- (11) Any person aggrieved by a final decision of the secretary or his designee in an adjudicatory proceeding may obtain judicial review pursuant to section fourteen of chapter thirty A. The commencement of proceedings under subsection (11) does not, unless specifically ordered by the court, operate as a stay of the secretary or his designee's order.

(B) Violation of any provision of sections forty-one, forty-two, or forty-three shall be punished by a fine of not less than one hundred, nor more than five thousand dollars. Any person acting as a lobbyist or lobbyist entity who has been found guilty of violating any provisions of said sections shall in addition to such fine, be disqualified from acting as a lobbyist or lobbyist entity until the termination of the third regular session of the general court after the date of conviction of such offense. Upon investigation and when deemed appropriate, the attorney general shall cause prosecutions to be instituted for violation of any provision of sections forty-one and fortytwo. The state secretary or his designee shall inspect all statements required by sections forty-one and forty-three filed with him if it appears that any person or entity has failed to file such statement as required by said sections, or if it appears to the state secretary or his designee that any such statement filed with him does not conform to law, the state secretary or his designee shall within a reasonable time notify the delinquent person, group or organization in writing. Upon failure to file a statement within fourteen days after receiving notice under this section, or if any statement filed after receiving notice indicates any violation of sections forty-one or fortythree, the state secretary or his designee shall within a reasonable time notify the attorney general thereof and shall furnish him with copies of all papers relating thereto. The attorney general shall examine every such case and upon investigation and when deemed appropriate shall cause prosecutions to be instituted in the name of the commonwealth or shall institute appropriate civil proceedings pursuant to section forty-nine or refer the case to the proper district attorney for such action as may be appropriate."

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SECTION 15. Section 47 of chapter 3 is hereby repealed.

SECTION 16. Section 48 of chapter 3 is hereby repealed.